



**DIB Bank Kenya**

A subsidiary of Dubai Islamic Bank PJSC

## TREASURY MARKET UPDATE 15TH SEPTEMBER 2022

### DOMESTIC NEWS

The Kenya shilling was flat on Wednesday as dollar demand from fuel importers and manufacturers was matched by exporters and non-governmental organizations selling foreign currency.

Commercial banks quoted the shillings at 120.20/40 per dollar same as Monday's close.

In other news, The Energy regulator has made a U-turn and increased electricity prices by 15.7 percent, reversing the January cuts by the former President Uhuru Kenyatta's administration, in the wake of anxiety among consumers over fuel prices.

The Energy and Petroleum Regulatory Authority (EPRA) also quietly hiked pass-through costs last week, including fuel, forex and inflation adjustments, pushing the cost of a kilowatt hour unit to Sh25.3 for domestic consumers who use more than 100 units a month.

This means that with Sh1,000, consumers on the over 100kWh tariff would now get 39.5 units of power, down from the 45.7 before the review. (Business daily)

### Indicative Forex Rates

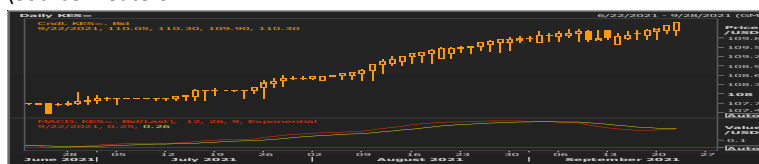
	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	117.00	127.50	116.50	127.00
GBP/KES	134.70	154.20	133.90	148.70
EUR/KES	115.14	141.04	115.44	134.04
AED/KES	28.81	38.81	30.81	38.31

Money Rates	Market	Current	Previous	Change
Interbank Rate		3.980%	4.020%	-0.040
91-Day T-bill		8.910%	8.860%	0.050
182-Day T-Bill		9.599%	9.576%	0.023
364-Day T-Bill		9.915%	9.876%	0.039
Inflation		8.530%	8.320%	0.210
CBR RATE		7.500%	7.500%	0.000

Source; Central Bank of Kenya)

LIBOR Rates	USD	JPY	GBP
6 Months	3.83686	0.04922	3.45910
12 months	4.23900	-	-

(Source: Reuters



### INTERNATIONAL NEWS

The U.S. dollar stabilized in early European trade Wednesday, pausing for breath after the previous session's sharp gains in the wake of the hotter-than-expected U.S. inflation report.

At 03:00 ET (07:00 GMT), the Dollar Index, which tracks the greenback against a basket of six other currencies, traded largely unchanged at 109.510, after surging 1.5% overnight, its biggest one-day percentage gain since March 2020.

On the other hand, Japanese yen was among the worst-performing Asian currencies on Thursday after the country logged a record trade deficit for August, while fears of more hawkish measures by the Federal Reserve weighed on most regional units. The yen fell 0.2% to 143.43 to the dollar, hovering just above a 24-year low hit earlier this month. Rising energy imports by Japan saw the country log a record-high trade deficit of 2.82 trillion yen (\$1.97 billion) in August.

Oil prices edged higher on Thursday as the market balanced weak demand with supply disruption amid a looming rail stoppage in the United States, the world's biggest crude consumer.

Brent crude futures was up by 2 cents to \$94.12 a barrel by 0324 GMT, while U.S. West Texas Intermediate crude rose 18 cents, or 0.2%, to \$88.66.

Spot gold prices traded below a key support level on Thursday, extending recent declines as concerns over more hawkish measures by the Federal Reserve continued to chip away at metal markets.

Spot gold was largely unchanged after finishing the prior session around \$1,697.42 an ounce, while gold futures fell 0.1% to \$1,707.30 an ounce by 19:46 ET (23:46 GMT).

Both instruments fell on Thursday after U.S. producer price inflation data further confirmed that inflation remained pinned near 40-year highs in August. This is likely to drive more sharp interest rate hikes by the Fed as it moves to combat heightened price pressures.

### Indicative Profit Rates on Deposits

	Amounts > 10 million		Amounts >100,000
	KES		USD
2 Weeks	6.00%	0.35%	
1 Month	6.55%	0.55%	
3 Months	7.00%	0.80%	
6 Months	7.50%	1.25%	
1 year	8.00%	1.75%	

### Indicative Cross Rates

	Bid	Offer
EUR/USD	0.9757	1.0269
GBP/USD	1.1310	1.1703
USD/AED	3.6530	3.6944
USD/JPY	141.19	145.89

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